

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
High-Cost Universal Service Support)	WC Docket No. 05-337
)	
Federal-State Joint Board on Universal Service)	CC Docket No. 96-45
)	
Lifeline and Link Up)	WC Docket No. 03-109
)	
Universal Service Contribution Methodology)	WC Docket No. 06-122
)	
Numbering Resource Optimization)	CC Docket No. 99-200
)	
Implementation of the Local Competition)	
Provisions in the Telecommunications Act of)	CC Docket No. 96-98
1996)	
)	
Developing a Unified Inter-carrier)	CC Docket No. 01-92
Compensation Regime)	
)	CC Docket No. 99-68
)	
Inter-carrier Compensation for ISP-Bound)	
Traffic)	WC Docket No. 04-36
IP-Enabled Services		

REPLY COMMENTS OF THE ATX GROUP, INC

The ATX Group, Inc., (ATX) submits these reply comments in response to the Commission's *Further Notice of Proposed Rulemaking* relating to the above proceedings.¹ ATX's telematics offerings to automobile manufacturers and their customers use the cellular network. Under the Commission's contribution proposals for the Universal Service Fund (USF) telematics equipped vehicles will be subjected to a \$1.00 or \$.85 monthly fee because each telematics equipped vehicle is assigned a phone number.

¹ In the Matter of High Cost Universal Service Support et al., *Order on Remand and Report and Order, Further Notice of Proposed Rulemaking*, FCC 08-262 (November 5, 2008).

The comments emphasize that the proposals do not speak to the law's equitable and non discriminatory standard by which any USF contribution mechanism must adhere. The foundation of any USF contribution structure is its fairness. The Commission must apportion USF obligations in a manner reflecting network use.² Original equipment automobile manufacturers (OEMs) and telematics providers present emphatic evidence showing the disproportionate burden of the \$1.00/.85 monthly fee.³ Each stresses the minimal use of the telephone network by telematics, how the feature is extremely price sensitive and that the monthly fee will skew the market considerably. A USF fee approaching or exceeding the cost of the airtime contradicts any reasoned contribution structure.

The toll the monthly fee will impose on emergency response and vehicle safety was addressed by the Association of Public Safety Communications Officials, International (APCO) and the National Emergency Number Associations (NENA).⁴ Their joint letter states with clarity the advances automotive telematics represents in sending information to the 9-1-1 public safety answering points so that the right resources can be dispatched to an emergency expeditiously. APCO and NENA note that the Commission's proposals appear contrary to the Commission's own goal of ubiquitous location-based emergency response and to the safety of individuals in vehicles. APCO and NENA believe that the monthly fee will impose a fatal blow to these important advances.

Pursuing an identical fee applicable across all users of the network must confront the responsibility that the fee be equitable and non discriminatory. It must have a relationship to

² Section 254(b)(4) of the Communications Act of 1934, as amended. *Vonage Holding Corporation v. FCC*, No. 06-1276, 489 F.3d 1232 (D.C. Cir. 2007) at 1244.

³ Comments of Toyota Motor Sales, Inc. (November 26, 2008), Comments of Volvo Group North America and WirelessCar North America (November 26, 2008), Comments of OnStar Corporation (November 26, 2008) and Comments of the ATX Group, Inc. (November 26, 2008).

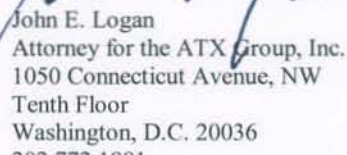
⁴ Letter of the Association of Public Safety Communications Officials, International and the National Emergency Number Associations (November 25, 2008) set forth in CC Docket 96-45 and WC Docket 06-122.

network use and be apportioned fairly. The proposals fail this crucial standard and by doing so will deter irretrievably critical advances to emergency response and vehicle safety the Commission itself has embraced. A \$1.00/.85 monthly fee should not be applicable to automotive telematics.

Respectfully submitted,

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